



## **LIBRARY OF CONGRESS**

### **Copyright Royalty Board**

**[Docket No. 14-CRB-0007-CD (2010-2012)]**

#### **Distribution of the 2012 Cable Royalty Funds**

**AGENCY:** Copyright Royalty Board, Library of Congress.

**ACTION:** Notice requesting comments.

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**SUMMARY:** The Copyright Royalty Judges are soliciting comments on a motion of Phase I claimants for partial distribution in connection with the 2012 cable royalty funds. The Judges are also requesting comments as to the existence of Phase I and Phase II controversies with respect to the distribution of 2012 cable royalty funds.

**DATES:** Comments are due on or before [INSERT DATE 30 DAYS FROM DATE OF PUBLICATION IN THE **FEDERAL REGISTER**].

**ADDRESSES:** Comments may be sent electronically to [crb@loc.gov](mailto:crb@loc.gov). In the alternative, send an original, five copies, and an electronic copy on a CD either by mail or hand delivery. Please do not use multiple means of transmission. Comments may not be delivered by an overnight delivery service other than the U.S. Postal Service Express Mail. If by mail (including overnight delivery), comments must be addressed to: Copyright Royalty Board, P.O. Box 70977, Washington, DC 20024-0977. If hand delivered by a private party, comments must be brought to the Library of Congress, James Madison Memorial Building, LM-401, 101 Independence Avenue, SE, Washington, DC 20559-6000. If delivered by a commercial courier, comments must be delivered to the Congressional Courier Acceptance Site located at 2<sup>nd</sup> and D Street, NE, Washington, DC. The envelope must be addressed to: Copyright Royalty Board, Library of Congress, James Madison Memorial Building, LM-403, 101 Independence Avenue, SE,

Washington, DC 20559-6000.

**FOR FURTHER INFORMATION CONTACT:** Lakeshia Keys, Program Specialist, by telephone at (202) 707-7658 or e-mail at [crb@loc.gov](mailto:crb@loc.gov).

**SUPPLEMENTARY INFORMATION:** Each year cable systems must submit royalty payments to the Register of Copyrights as required by the statutory license set forth in section 111 of the Copyright Act for the retransmission to cable subscribers of over-the-air television and radio broadcast signals. *See* 17 U.S.C. 111(d). These royalties are then distributed to copyright owners whose works were included in a qualifying transmission and who timely filed a claim for royalties. Allocation of the royalties collected occurs in one of two ways. In the first instance, these funds will be distributed through a negotiated settlement among the parties. 17 U.S.C. 111(d)(4)(A). If the claimants do not reach an agreement with respect to the royalties, the Copyright Royalty Judges (“Judges”) must conduct a proceeding to determine the distribution of any royalties that remain in controversy. 17 U.S.C. 111(d)(4)(B).

On July 25, 2014, representatives of the Phase I claimant categories (the “Phase I Parties”)<sup>1</sup> filed with the Judges a motion requesting a partial distribution of 60% (as opposed to 50% as requested in recent cases) of the 2012 cable royalty funds pursuant to Section 801(b)(3)(C) of the Copyright Act. 17 U.S.C. 801(b)(3)(C). Under that section of the Copyright Act, before ruling on a partial distribution motion the Judges must publish a notice in the **Federal Register** seeking responses to the motion to ascertain whether any claimant entitled to

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<sup>1</sup> The “Phase I Parties” are the Program Suppliers, Joint Sports Claimants, Public Television Claimants, Commercial Television Claimants (represented by National Association of Broadcasters), Music Claimants (represented by American Society of Composers, Authors and Publishers, Broadcast Music, Inc., and SESAC, Inc.), Canadian Claimants Group, National Public Radio, and Devotional Claimants. In Phase I of a cable royalty distribution proceeding, royalties are allocated among certain categories of broadcast programming that have been retransmitted by cable systems. The categories have traditionally been movies and syndicated television series, sports programming, commercial and noncommercial broadcaster-owned programming, religious programming, music, public radio programming, and Canadian programming. In Phase II of a cable royalty distribution proceeding, royalties are allocated among claimants within each of the Phase I categories.

receive such royalty fees has a reasonable objection to the proposed distribution. On September 12, 2014, the Phase I Parties filed a motion for expedited resolution of the pending motion. Consequently, this Notice seeks comments from interested claimants on whether any reasonable objection exists that would preclude the distribution of 60% of the 2012 cable royalty funds to the Phase I Parties. The Judges must be advised of the existence and extent of all such objections by the end of the comment period. The Judges will not consider any objections with respect to the partial distribution motion that come to their attention after the close of that period.

The Judges also seek comment on the existence and extent of any controversies to the 2012 cable royalty funds at Phase I or Phase II with respect to those funds that would remain if the partial distribution were granted.

The Motion of Phase I Claimants for Partial Distribution and the Joint Motion of Phase I Claimants for Expedited Resolution of Pending Motion for Partial Distribution are posted on the Copyright Royalty Board Web site at <http://www.loc.gov/crb>.

Dated: September 23, 2014

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Suzanne Barnett,  
Chief U.S. Copyright Royalty Judge.

**[BILLING CODE: 1410-72-P]**

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